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March 8, 2002

OFFICE OF THE
EXECUTIVE SECRETARY

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Mr. Joe Werner, Chief
Telecommunications Division
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

TN REGULATORY AUTHORITY
TELECOMMUNICATIONS DIVISION

RE: Petition to Waive Monthly Filing of the Form 3.01 Report


Dear Mr. Werner:

As a follow-up to our conversation on February 26, 2002, BellSouth Telecommunications, Inc., United Telephone-Southeast, Inc. and Citizens Telecommunications Company of Tennessee (companies operating under price regulation) are requesting relief from the monthly requirement of filing the 3.01 report and propose the adoption of an annual filing of the report. Under rate-based regulation, the Tennessee Regulatory Authority (TRA) has the duty to monitor earnings to ensure compliance with rates of return authorized by the TRA. However under TCA Section 65-5-209, there is no need for the TRA to monitor the earnings rates of return for the price regulated companies. Consequently, the ongoing requirement for monthly filing of the 3.01 is inappropriate.

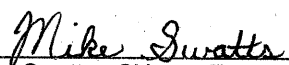
On January 3, 1997, United Telephone-Southeast, Inc. and Citizens Telecommunications Company of Tennessee filed a joint petition requesting the elimination of the 3.01 monthly filing requirement. On April 29, 1997, the TRA issued an order in Docket 97-00033 directing the staff to draft proposed rules eliminating the requirement for price regulated companies to file the monthly 3.01 report. Furthermore, price regulated companies are filing monthly wireline activity reports, and annual Form M or M-1 reports.

In summary, BellSouth Telecommunications, Inc., United Telephone-Southeast, and Citizens Telecommunications Company of Tennessee are requesting the staff to draft a proposal recommending the requirement for price regulated companies to file 3.01 reports annually rather than monthly in response to the Authority's ruling. We believe that this filing, supplemented with the previously mentioned filings, will provide the TRA adequate information to appropriately monitor the market served by the price regulated companies. BellSouth Telecommunications, Inc. is filing this joint request on behalf of United Telephone-Southeast and Citizens Telecommunications Company of Tennessee.

Sincerely,


Jeff Fox, BellSouth Telecommunications

 FOR JNF
Laura Sykora, United Telephone-Southeast, Inc.

 FOR JNF
Mike Swatts, Citizens Telecommunications Company of Tennessee

POSTED
5/30/02